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# IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON IN AND FOR THE COUNTY OF SKAGIT

WHATCOM COUNTY,

Petitioner,

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GROWTH MANAGEMENT HEARINGS BOARD, WESTERN WASHINGTON REGION,

Respondent.

Skagit County Superior Court No. 14-2-00877-8

(GMHB Case No. 12-2-0013)

CERTIFICATE OF APPEALABILITY (GRANTED)

#### I. REQUEST FOR CERTIFICATE OF APPEALABILITY

This matter is before the Board on an Application for Direct Review by the Washington State Court of Appeals in a case challenging the Board's April 15, 2014, Second Order on Compliance. The case before the Court of Appeals is *Whatcom County v. Growth Management Hearings Board, Western Washington Region*, Skagit County Superior Court Cause No. 14-2-00877-8. The County's appeal concerns the extent to which local jurisdictions must protect water availability and water quality.

#### II. PROCEDURAL BACKGROUND

On August 7, 2012, Whatcom County adopted Ordinance No. 2012-032 which amended the rural element of the County's Comprehensive Plan. Eric Hirst, Laura Leigh Brakke, Wendy Harris, David Stalheim and Futurewise ("Hirst") challenged the

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ordinance in a petition to the Growth Management Hearings Board. On June 7, 2013, the Board issued its Final Decision and Order (hereafter, "2013 FDO") in *Hirst, et al. v. Whatcom County*, Case No. 12-2-0013. The Board found the ordinance did not include measures limiting rural development to protect groundwater and surface water as required by the Growth Management Act and remanded the ordinance to the County to take action to comply with the GMA.<sup>1</sup> It further found petitioners did not meet the standard for a declaration of invalidity.<sup>2</sup>

On July 1, 2013, Hirst filed an appeal of the 2013 FDO in Thurston County Superior Court, Case No. 13-2-01398-1. On July 3, 2013, Whatcom County filed an appeal of the 2013 FDO in Skagit County Superior Court, Case No. 13-2-01147-9. Both appeals addressed water resource issues decided in the 2013 FDO; the County's appeal challenging the Board's finding of noncompliance with the GMA and the Hirst appeal challenging the Board's refusal to impose invalidity as a remedy.

On July 26, 2013, the Board received applications for certification of appealability. Whatcom County requested certification of the water issues raised in the Skagit County Superior Court appeal.<sup>3</sup> Whatcom stated the County had moved for change of venue to consolidate both appeals before the Skagit County Superior Court. Hirst requested certification of both the Skagit County and Thurston County appeals.<sup>4</sup> Hirst indicated their intent to move for change of venue to consolidate the appeals before the Thurston County Superior Court.

Concurrently with its appeal to the Courts, on January 28, 2014, Whatcom County adopted Ordinance No. 2014-002 amending various Comprehensive Plan and development regulations related to water resources. Petitioners objected to the

<sup>&</sup>lt;sup>1</sup> 2013 FDO at 43-44.

<sup>&</sup>lt;sup>2</sup> 2013 FDO at 50.

<sup>&</sup>lt;sup>3</sup> Request for Certification, filed by Whatcom County, July 26, 2013, in Skagit County Superior Court No. 13-2-01147-9.

<sup>&</sup>lt;sup>4</sup> Application for Certificate of Appealability, filed by Hirst, July 26, 2013, in Thurston County Superior Court No. 13-2-01398-1.

Application for Certificate of Appealability filed by Hirst, July 26, 2013, in Skagit County Superior Court, No. 13-2-01147-9.

County's compliance efforts as not meeting GMA requirements. Following a compliance hearing, the Board issued a Second Order on Compliance on April 15, 2014, finding the County in continuing noncompliance with the same issues raised in the Board's June 7, 2013, FDO. The Board established a second compliance schedule and set deadlines for compliance by January 2015.

On May 14, 2014, the County filed an appeal of the Second Compliance Order with Skagit County Superior Court. On June 12, 2014, the Board received Whatcom County's request for a Certificate of Appealability for Direct Review by the Court of Appeals regarding the Board's Second Order on Compliance of April 15, 2014. On June 23, 2014, the Board received the Hirst Respondents' Concurrence in Whatcom County's Application for Certificate of Appealability stating they were not opposed to the Board granting appealability.

### III. AUTHORITY AND ANALYSIS

The Administrative Procedure Act, RCW 34.05.518, sets forth the criteria and procedures for Certificates of Appealability. RCW 34.05.518(3) identifies the Growth Management Hearings Board as an "environmental board," and provides:

- (b) An environmental board may issue a certificate of appealability if it finds that delay in obtaining a final and prompt determination of the issues would be detrimental to any party or the public interest and either:
- (i) Fundamental and urgent statewide or regional issues are raised; or
- (ii) The proceeding is likely to have significant precedential value.

RCW 34.05.518(4) requires a board to state in its certificate of appealability "which criteria it applied [and] explain how that criteria was met." This Board reviews the request for certification in light of each of these criteria.

## A. Detrimental Delay

This case involves establishing how Whatcom County will protect rural character by ensuring rural development does not further degrade water quality and impair water availability. The Board agrees with the County and Hirst that delay in definitive resolution of the water resource protection issues in this case would be detrimental to each of the parties and to the public interest.

A prompt resolution of the pending appeals will allow the County to take decisive action to achieve compliance. Delay is detrimental to the County's interest in enacting plans and regulations that provide certainty for rural development and water resource management. A quicker resolution is vital to the County's preparation for updating its comprehensive plan and regulations as required by RCW 36.70A.130. As other counties and cities begin updating their comprehensive land use plans, beginning in 2016, an appellate court decision on these issues will assist other jurisdictions as they update their plans.

Respondents Hirst are harmed by a delay because additional development will vest to the County's inadequate policies and regulations and will harm rural character and fail to protect water quality and quantity.<sup>5</sup> The public interest in protecting health and the environment remains at risk from the ongoing rural development allowed in the County while the issues are pending.

**The Board finds** delay in this matter would be detrimental to the interests of all parties - Hirst and Whatcom County - and to the public interest.

## B. Fundamental and Urgent Statewide or Regional Issues Raised

Water quality and availability are fundamental and urgent issues across the state. Despite twenty years of Board adjudications of GMA petitions, the intersection of State water law with the local land use plans and regulations reviewed by the Board is not well defined. The Supreme Court's recent *Kittitas* decision addressed the obligation of

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<sup>&</sup>lt;sup>5</sup> Concurrence in Whatcom County's Application for Certificate of Appealability (June 23, 2014) at 2.

local governments to protect water resources in the context of rural land use planning and development regulations enacted under the GMA:

The GMA directs that the rural and land use elements of a county's plan include measures that protect groundwater resources. RCW 36.70A.070(1), (5)(c)(iv). Additional GMA provisions, codified at RCW 19.27.097 and 58.17.110, require counties to assure adequate potable water is available when issuing building permits and approving subdivision applications. (emphasis added)

The *Kittitas* Court ruling involved the subdivision provision, RCW 58.17.100. In deciding the Whatcom County challenge, the Board was also required to look to RCW 19.27.097, the building permit provision, and to follow the *Kittitas* Court's mandate in light of the facts and authorities in the record.

As the Supreme Court stated in *Kittitas* and the Board applied in the 2013 FDO and its Second Order on Compliance, if it is up to local governments to make a finding that there is "adequate water supply to support the proposed development," a prompt and authoritative resolution of this appeal will provide the necessary framework and guidelines not just for Whatcom County, but for all local governments across the state. The extent to which *Kittitas* authorizes or requires local governments to address water availability for rural development is especially critical in areas where permit-exempt wells are relied on for development in closed basins or where instream flows are not being met.

Local and state governments need certainty in their planning roles to ensure protection of surface or groundwater resources. This matter requires an appellate court decision to guide state and local agencies as they allocate funds, staff, and other resources to address water issues under their jurisdiction.

**The Board finds** this matter involves fundamental and urgent issues of statewide importance.

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Kittitas County, at 179.
 2013 FDO at 23, 40.

## C. Significant Precedential Value

RCW 34.05.518 (3)(b) requires the Board to find that the matter *either* presents a fundamental statewide issue *or* is likely to have significant precedential value. The Board has found that issues in the Second Compliance Order have fundamental and urgent statewide importance; therefore the Board need not address the precedential value of this matter. However, pursuant to RCW 34.05.518 (4), the Board responds to the assertions of the applicants.

The effect of the Supreme Court's *Kittitas* decision on local regulations applying RCW 19.27.097, as well as the Board's findings with respect to water quality, are important statewide issues that have never been directly decided by the appellate courts. Prompt resolution of the matter will have significant precedential value, especially for counties like Whatcom that are updating their comprehensive plans. Any county that is embarking on its general update of its comprehensive plan will benefit from clear, final guidance on this issue. A decision in this matter may also provide precedent important to defining the relative roles of the Department of Health, Department of Ecology, and local governments in protection of surface and groundwater resources in rural areas.

Thus, **the Board finds** judicial determination of the issues in this matter will likely have significant precedential value.

#### IV. ORDER

Having reviewed the application for Certificate of Appealability, the relevant provisions of the Administrative Procedure Act, in particular RCW 34.05.518(3)(b), and the facts of this matter, the Board finds that delay in obtaining a final and prompt determination of the issues will be detrimental to all parties and to the public interest. The Board further finds that a fundamental issue of statewide importance is raised and that a judicial determination is likely to have significant precedential value.

Having found the criteria of RCW 34.05.518(3) are satisfied, the Board issues a Certificate of Appealability for direct review in Skagit County Superior Court Case No. 14-2-00877-8.

Entered this 26th day of June, 2014.

Nina Carter, Board Member

Margaret Pageler, Board Member

<u>Unavailable for Signature</u>
Raymond Paolella, Board Member